



## “GOVERNMENT’S PROGRAMMES FOR STARTUP ENTREPRENEURS AND ITS IMPACT”

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### ABSTRACT:-

*Startup India is a flagship initiative of the Government of India, intended to build a strong ecosystem that is conducive for the growth of startup businesses, to drive sustainable economic growth and generate large scale employment opportunities. The scheme offers numerous benefits, including tax exemptions, self-certification compliance, and a dedicated mobile app for registration. It also provides funding opportunities through the Startup India Fund of Funds. The programmes launched by the government to support startup India under - Ministry of Electronics and Information Technology, Ministry of Agriculture and Farmers Welfare, Ministry of Micro, Small and Medium Enterprises, NITI Aayog, Ministry of New and Renewable Energy and Ministry of Science & Technology. Government policies can have a significant impact on startups, as they can either help or hinder their growth and success.*



**KEY WORDS:** Government of India , self-certification compliance , Ministry of Micro.

### INTRODUCTION:

This decade is known as India’s entrepreneurial era, with a booming startup atmosphere and favourable conditions for entrepreneurship. India witnessed several startups, making it one of the world’s fastest-growing startup hubs. The government’s continuous support, including numerous schemes for startups in India, has played a key role in this growth. The Government of India has announced 'Startup India' initiative for creating a conducive environment for startups in India. The various Ministries of the Government of India have initiated a number of activities for the purpose. To bring uniformity in the identified enterprises, the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India has come out with a definition for an entity to be considered as a ‘Startup’.

Government policies have a significant impact on the startup ecosystem in any country, and India is no exception. The Indian government has launched several policies and initiatives aimed at promoting entrepreneurship and innovation, including Startup India. India has emerged as a leading hub for startups in recent years, with a thriving ecosystem of entrepreneurs, investors, and support organizations. The Indian government has taken several steps to support and encourage startup growth

in the country, including the launch of initiatives like Startup India and the establishment of a dedicated fund for startups.

Entrepreneurship has played an important role in growth, development and prosperity of nation. Therefore to promote the entrepreneurial spirit among the people, particularly the youth of the country, Government of India has initiated a programme known as 'Startup India'. This unprecedented initiative aims at addressing the structural constraints which hinder the growth of many potential businesses. Basically, a Start-up is an enterprise which commences its operation with new ideas and in new areas of business. It is a revived and rejuvenated form of an entrepreneur that has just started to come up. Hence, Start-up India is an attempt to provide maximum help and support for the newly established business organisations. This article will explore a comprehensive list of government schemes available in India to support startups.

### REVIEW OF LITERATURE:

- **Ramchandani (2017)** - The Startup India programme and its initiatives are an excellent idea for Indian startups, there are certain loopholes in the scheme and other areas in the implementation mechanism. In addition to this, the start-ups will have to prove that their innovation has significantly improved existing processes in order to be eligible for various schemes and exemptions. Also, there would still be Government interference in the self-certification process as there is no self-certification whereby the startups can judge that their improvement is significant. It is also beyond understanding as to why the benefits from such schemes cannot not be extended to all start-ups in the nation depending upon a specific transparent criteria. Apart from this, it is not the government but the market that should identify innovation whereas the government should try and place emphasis on creating conditions for innovation.
- **Basavaraja & Ravi 2023)** - This research paper presents a descriptive study on the government schemes for fostering startup initiatives in India. This study analyse and document the various schemes and initiatives implemented by the Indian government to support and promote startups in the country. The paper examines the key features, eligibility criteria, benefits, and challenges associated with these schemes. Additionally, it assesses the impact of these government initiatives on the startup ecosystem and offers recommendations for further improvement. The study draws on a comprehensive review of relevant literature, official government documents, and case studies of successful startups. This research paper provide valuable insights into the government's role in nurturing entrepreneurship and facilitating the growth of startups in India.
- **Shah & Jokhi (2023)** - The Indian government has launched several policies and initiatives aimed at promoting entrepreneurship and innovation, including Startup India, the Fund of Funds for Startups, and the Atal Innovation Mission. These policies have made it easier for startups to do business in India, simplified regulatory processes, and provided tax incentives and access to funding for startups. However, there are still some challenges that hinder the growth of startups in India, including high levels of bureaucracy, a lack of access to capital, and limited infrastructure in some areas. Additionally, recent changes in e-commerce and data localization policies have caused some disruptions in the industry, affecting startups that rely on online marketplaces for their business. In this paper researcher focus on the government policies for startup and its effect on the performance of the startup.
- **Rajroop and Abhishek (2023)** - The Indian government provided a new avenue for preparing the nation's young, brilliant citizens to launch their ventures instead of waiting for employment, demonstrating greater trust in their abilities. Young professionals can take advantage of the market by creating a good or service they think people will pay for. The startup concept is still in its early stages. Therefore establishing itself will present several difficulties. The main challenges are financing, lack of planning, hiring the right people, the regulatory environment, and poor risk management. Despite several obstacles, startups in India are contributing positively to the socioeconomic advancement of the country. The Startup India programme offers optimism to

international investors and young people in India. The study assess how startups are affecting the Indian economy.

- **Krishna Prakash & Jayasubramanian (2024)** - The Startup India Scheme gives youngsters more authority by streamlining rules, giving funding, and creating possibilities for skill development. It makes it easier for young-led businesses to start and expand by lowering red tape. Tax breaks, and credit guarantees are examples of financial incentives that make it possible for entrepreneurs to get money. Initiatives to increase capacity through mentoring and training programs foster the development of critical abilities and self-assurance. Furthermore, networking sites encourage young entrepreneurs to collaborate and share information. All things considered, the program generates jobs, and propels economic expansion by enabling young people to fulfil their dreams of becoming entrepreneurs.

### OBJECTIVES & METHODOLOGY:

This study is takes the review of startup programmes and various supportive programmes of government of India. The research is descriptive in nature and it is based on the data collected from websites, newspapers, magazines, economic survey, government reports, books, research papers etc.

### STARTUP INDIA:

The definition of a startup can vary depending on the context and the source. In the context of government schemes for startup initiatives in India, the definition generally aligns with the one provided by the Department for Promotion of Industry and Internal Trade, Government of India, under the Startup India initiative. According to this definition, a startup is defined as 'A startup is an entity, incorporated or registered in India not more than ten years ago from the date of its incorporation / registration. However, in the case of biotechnology startups, the period shall be up to fifteen years from the date of incorporation / registration. It should aim to develop and commercialize a new product, process, or service driven by technology or intellectual property'.

Startup India program launched in 2016. Startup India is a flagship initiative of the Government of India, intended to build a strong ecosystem that is conducive for the growth of startup businesses, to drive sustainable economic growth and generate large scale employment opportunities. To foster the growth of startups and encourage a culture of innovation, the Indian government has introduced several schemes and initiatives. These government schemes aim to provide startups with financial support, mentoring, and infrastructure facilities across various sectors. The scheme offers numerous benefits, including tax exemptions, self-certification compliance, and a dedicated mobile app for registration. It also provides funding opportunities through the Startup India Fund of Funds.

### GOVERNMENT PROGRAMMES FOR STARTUP:

The Government of India's flagship programme, Startup India aims to actively encourage startups and business owners. The program's main goal is to build a robust environment in India that supports and fosters innovation and entrepreneurs, ultimately creating a huge number of job opportunities and fostering the nation's sustainable economic growth. The 'Aatmanirbhar Bharat' mission and the 'Made in India' programme were subsequently introduced by the Indian government with the goal of establishing India as a hub for international manufacturing and design exports.

The Indian government has floated at least 50+sector specific and sector –agonistic schemes. Each start-up scheme is missioned towards boosting the Indian start-up Ecosystem. India has many start -ups scale up support to establishing incubation centres, Pradhan Mantri Mudra Yojana etc. Start-ups are becoming very popular in India. The government of India has started and promoted Start-up India. To promote growth and help Indian economy many benefits are being given to entrepreneurs establishing start-ups. The government has to identify officials at the Centre and state level, in coordination with state governments, and initiate an extensive and on-going training program that will prepare these officials to be entrepreneur friendly and actually develop the skills required to provide support, as needed. The following schemes are launched by the government for start-up.

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**1. Under Ministry of Electronics and Information Technology:**

- a) Electronic Development Fund (EDF) Policy
- b) Modified Special Incentive Package Scheme (M-SIPS)
- c) Multiplier Grants Scheme (MGS)
- d) Scheme to Support IPR Awareness Seminars/Workshops in E&IT Sector
- e) Software Technology Park (STP) Scheme
- f) Support for International Patent Protection in Electronics & Information Technology (SIP-EIT)

**2. Under Ministry of Agriculture and Farmers Welfare:**

- a) NewGen Innovation and Entrepreneurship Development Centre
- b) The Venture Capital Assistance Scheme

**3. Under Ministry of Micro, Small and Medium Enterprises (MSME):**

- a) Aspire – Scheme for promotion of innovation, entrepreneurship, and agro-industry
- b) Bank Credit Facilitation Scheme
- c) Coir Udyami Yojana
- d) Credit Guarantee
- e) Credit Linked Capital Subsidy for Technology Upgradation
- f) Infrastructure Development Scheme
- g) International Cooperation (IC) Scheme
- h) MSME Market Development Assistance
- i) National Awards (Individual MSEs)
- j) Performance & Credit Rating Scheme
- k) Raw Material Assistance
- l) Revamped Scheme of Fund for Regeneration of Traditional
- m) Single Point Registration Scheme (SPRS)

**4. Under NITI Aayog:**

- a) Atal Incubation Centres (AIC)
- b) Atal Tinkering Laboratories (ATL)
- c) Scale-up Support to Establishing Incubation Centres

**5. Under Ministry of New and Renewable Energy (MNRE):**

- a) 4E (End to End Energy Efficiency)
- b) Bridge Loan against Generation-Based Incentive (GBI) Claims
- c) Bridge Loan against MNRE Capital Subsidy
- d) Credit Enhancement Guarantee Scheme
- e) Dairy Entrepreneurship Development Scheme
- f) Growth Capital and Equity Assistance
- g) IREDA Scheme for Discounting Energy Bills
- h) Loan for Rooftop Solar PV Power Projects
- i) National Clean Energy Fund (NCEF) Refinance
- j) Pradhan Mantri Mudra Yojana (PMMY)
- k) SIDBI Make in India Soft Loan Fund for Micro Small and Medium Enterprises (SMILE)
- l) Stand Up India
- m) Startup Assistance Scheme
- n) Sustainable Finance Scheme
- o) Under Schemes by Public Sector Enterprises

## 6. Under Ministry of Science & Technology:

- a) Assistance to Professional Bodies & Seminars/Symposia
- b) Ayurvedic Biology Program
- c) Biotechnology Ignition Grant (BIG)
- d) Biotechnology Industry Partnership Programme (BIPP)
- e) Extra Mural Research Funding
- f) High Risk-High Reward Research
- g) Industry Innovation Programme on Medical Electronics (IIPME)
- h) Industry Relevant R&D
- i) National Science & Technology Management Information System (NSTMIS)
- j) Rapid Grant for Young Investigator (RGYI)
- k) Science and Technology of Yoga and Meditation (SATYAM)
- l) SPARSH (Social Innovation programme for Products: Affordable & Relevant to Societal Health) Promoting Innovations in Individuals, Startups and MSMEs (PRISM)
- m) Technology Development Programme (TDP)

## Impact of Government Programmes on Startup:

Government policies can have a significant impact on startups, as they can either help or hinder their growth and success. The tax policies set by the government can have a significant impact on startups. Lowering the tax burden on small businesses can encourage entrepreneurship and stimulate growth. Regulations can either be helpful or harmful to startups. Overly restrictive regulations can stifle innovation and make it difficult for startups to succeed, while regulations that promote competition and protect intellectual property can help startups grow. Governments can provide funding and grants to startups, which can help them get off the ground and grow faster. This can be particularly important for early-stage startups that have limited access to funding. Many startups rely on talented individuals from around the world to help build their teams. Government policies that make it easier for these individuals to obtain visas and work permits can be extremely beneficial for startups. The quality of infrastructure, including transportation, energy, and communications, can have a significant impact on the success of a startup. Governments that invest in modernizing infrastructure can help startups thrive. Sustained government efforts to ease the journey for new enterprises have resulted in an increase in the number of recognized startups.

## CONCLUSION:

Startup India is a flagship initiative of the Government of India, intended to build a strong ecosystem that is conducive for the growth of startup businesses, to drive sustainable economic growth and generate large scale employment opportunities. The scheme offers numerous benefits, including tax exemptions, self-certification compliance, and a dedicated mobile app for registration. It also provides funding opportunities through the Startup India Fund of Funds. The programmes launched by the government to support startup India under - Ministry of Electronics and Information Technology, Ministry of Agriculture and Farmers Welfare, Ministry of Micro, Small and Medium Enterprises, NITI Aayog, Ministry of New and Renewable Energy and Ministry of Science & Technology. Government policies can have a significant impact on startups, as they can either help or hinder their growth and success.

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